

## Message Text

CONFIDENTIAL

PAGE 01 STATE 235751

60

ORIGIN SS-15

INFO OCT-01 ISO-00 SSO-00 /016 R

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DRAFTED BY NEA/AFN:DLJAMESON

APPROVED BY NEA/AFN:WSWEISLOGEL

S/S:O:LMATTESON

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O 040006Z OCT 75

FM SECSTATE WASHDC

TO AMEMBASSY LONDON IMMEDIATE

C O N F I D E N T I A L STATE 235751

EXDIS

FOLLOWING REPEAT STATE 235751 ACTION TRIPOLI DATED 3 OCT 75

QUOTE

C O N F I D E N T I A L STATE 235751

EXDIS

E.O. 11652: GDS

TAGS: PFOR, ENRG, LY

SUBJECT:(9::8\$3,5-) \$8 0753 285# )8?6-

43\*: A) TRIPOLI 1105 B) TRIPOLI 1109

1. LIBYAN CHARGE GASHUT MADE DEMARCHE OCTOBER 1 CONVEYING  
ESSENTIALLY SAMEHMESSAGE AS THAT OF DEPUTY UNDER SECRETARY  
TRAYKI (REF A). OCCIDENTAL ON OCTOBER 2 RELEASED ANNOUNCE-  
MENT TO PRESS STATING THAT LARG HAS REFUSED TO ACCEPT  
OXY'S ARBITRATION NOTICES AND HAS NOW SUSPENDED DELIVERIES  
OF CRUDE FROM THE ZWEITINA TERMINAL AND PROHIBITED OXY'S  
EXPATRIATE EMPLOYEES AND FAMILIES FROM LEAVING THE COUNTRY.  
STATEMENT SAYS THAT THERE ARE 520 OXY EXPATRIATE EMPLOYEES  
AND FAMILY MEMBERS OF WHICH ABOUT 230 ARE US CITIZENS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 235751

OCCIDENTAL HAS ALSO SENT LETTERS TO SECREARY KISSINGER,

PRESIDENT FORD, ASSISTANT SECRETARY ATHERTON, AND SFRC  
CHAIRMAN SPARKMAN.

2. SINCE WE HAVE NOT RECEIVED ANY NOTICE FROM HE LARG OF  
ITS INTENTION TO PROHIBIT DEPARTURES AND HAVE NO INFORMA-  
TION THAT THE PROHIBITION HAS YET BEEN TESTED BY OXY OUR  
PUBLIC POSTURE FOR THE MOMENT WILL BE THAT WE ARE INQUIRING  
INTO THE MATTER AND DO NOT WISH TO MAKE ANY STATEMENT UNTIL  
WE HAVE ASCERTAINED THE FACTS. ACCORDINGLY YOU SHOULD  
APPROACH THE FOREIGN MINISTRY AND REQUEST CLARIFICATIONS  
AS FOLLOWS:

A. WE HAVE BEEN TOLD BY OCCIDENTAL PETROLEUM THAT AS A  
RESULT OF ITS OIL CONCESSION DISPUTE WITH THE LIBYAN  
GOVERNMENT, WHICH WAS THE SUBJECT OF LARG DEMARCHES TO  
US IN TRIPOLI AND WASHINGTON, THE MINISTER OF PETROLEUM  
HAS INFORMED OCCIDENTAL THAT ALLHOF THE COMPANY'S EX-  
PATRIATE EMPLOYEES AND THEIR WIVES AND CHILDREN HAVE BEEN  
PROHIBITED FROM LEAVING LIBYA. WE ARE PUZZLED BY THIS  
BECAUSE WE DO NOT ACCEPT THAT THERE SHOULD BE ANY RELA-  
TIONSHIP BETWEEN A COMPANY'S BUSINESS DEALINGS WITH A  
GOVERNMENT AND THE FREEDOM OF MOVEMENT OF ITS EMPLOYEES  
AND THEIR FAMILIES. WE WOULD APPRECIATE CLARIFICATION OF  
THIS MATTER FROM THE LIBYAN AUTHORITIES.

B. OCCIDENTAL ALSO TOLD US THAT ON SEPTEMBER 16 AND 17  
IT HAD FILED NOTICESHOF ARBITRATION OF THE OIL CONCESSION  
DISPUTE AGAINST THE LARG WHICH THE LARG IS CONTRACTUALLY  
OBLIGATED TO ACCEPT, BUT THAT THE LARG RETURNED ITS  
NOTICES, EVIDENCING UNWILLINGNESS TO GO TO ARBITRATION.  
HOWEVER, BOTH UNDER SECRETARY TRAYKI AND CHARGE GASHUT IN  
WASHINGTON TOLD US THAT THE LARG IS WILLING TO SEEK A  
SOLUTION THROUGH ARBITRATION. WE WERE VERY PLEASED TO  
HEAR THIS BECAUSE AS LARG KNOWS, USG ATTACHES GREAT  
IMPORTANCE TO PARTIES TO INTERNATIONAL INVESTMENT AGREE-  
MENTS SETTLING THEIR DIFFERENCES AMICABLY AND ADHERING  
TO THEIR ARBITRAL OBLIGATIONS. WE SHOULD APPRECIATE ANY  
CLARIFICATION OF THIS APPARENT DISCREPANCY WHICH THE  
LPBZAN GOVERNMENT CAN PROVIDE.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 235751

3. DEPARTMENT WILL CALL IN CHARGE GASHUT TO POSE SAME  
QUESTIONS.

4. DEPARTMENT WOULD ALSO APPRECIATEHVERIFICATION OF OXY  
FIGURES ON NUMBER OF EXPATRIATE AND U.S. CITIZEN EMPLOYEES  
AND FAMILY MEMBERS IN LIBYA AS WELL AS LATEST EMBASSY  
COUNT OF TOTAL NUMBER OFHU.S. CITIZENS IN LIBYA. EMBASSY  
ALSO REQUESTED TO REPORT IMMEDIATELY ANY VERIFIED CASES OF

U.S. CITIZENS DENIED PERMISSION BY LARG TO LEAVE LIBYA  
FOR REASONS RELATED TO OXY DISPUTE.

5. SUBJECT CAME UP AT TODAY'S PRESS BRIEFING. PRESS  
TELEGRAM WILL CONTAIN TEXT. KISSINGER  
UNQUOTE

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NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DISPUTES, PETROLEUM INDUSTRY, COMPENSATION, FOREIGN RELATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 04 OCT 1975  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** greeneet  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
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**Errors:** N/A  
**Film Number:** D750344-0699  
**From:** STATE  
**Handling Restrictions:** n/a  
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**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** EXDIS  
**Reference:** n/a  
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**Review Authority:** greeneet  
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**Secure:** OPEN  
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**TAGS:** PFOR, ENRG, LY, US, OCCIDENTAL PETROLEUM CO  
**To:** LONDON  
**Type:** TE  
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